

# Utah Department of Insurance Fraud Division FY2012 Annual Report





## MISSION STATEMENT

The Insurance Fraud Division acts as the primary law enforcement agency in the State of Utah for investigating suspected fraudulent insurance claims. The core mission of the Insurance Fraud Division is to protect the public from economic loss and distress. We do this by actively investigating, prosecuting and seeking restitution from those who commit insurance fraud. We further seek to deter insurance fraud through active public awareness education.

**Insurance Commissioner:**  
Neal T. Gooch

**Fraud Division Director:**  
Armand A. Glick

## Fraud Director's Message

The enclosed annual report provides an informative look at the efforts, accomplishments, and challenges of the Utah Department of Insurance Fraud Division for Fiscal Year 2012.

I am very proud of the efforts of the Fraud Division and feel we have one of the most effective and successful insurance fraud investigative units in the nation. I am also proud of the continued collaboration and working relationship between the division, insurance company special investigative units, local and federal law enforcement, the National Insurance Crime Bureau and the Coalition Against Insurance Fraud. Collaboration with these partners is crucial for our overall success.

The Insurance Fraud Division has undergone significant changes in the past few years. Most significant is a changing of the guard, with eight of eleven investigators being hired within the past three years.

Funding for the Insurance Fraud Division primarily comes through assessment to insurers who operate in Utah. This assessment is based on total premium sold in the prior year by each company. There are close to 1,600 companies licensed to sell insurance in the State.

I appreciate the support we received from these insurance companies in requesting the state legislature approve a much needed increase to this assessment. With the increase of assessment to insurers, the IFD's annual budget is projected to be approximately \$1.8 million in FY 2013.

In addition to the assessment, the Insurance Fraud Division, is authorized by statute to recover investigative costs from the defendants we prosecute.

Unfortunately, insurance fraud continues to be a crime that is accepted by many as a way to recoup financial loss. Every resident of the State of Utah is adversely affected by insurance fraud in some way. This past year we have seen a significant increase in agent fraud and continue to recognize insurance fraud as a crime of choice for those having financial difficulty.

With the transition and hiring of new staff, I am excited for the prospects of what the Insurance Fraud Division can accomplish in the future. Fiscal Year 2013, will be the first in the last three years, where the Fraud Division is fully staffed with investigators and attorneys.

I look forward to our increased ability to investigate and prosecute offenders, in our effort to deter insurance fraud, and facilitate financial recovery, in our effort to reduce the affects of fraud on the citizens of Utah.

Sincerely,  
Armand A. Glick  
Director, Insurance Fraud Division  
Utah Insurance Department



## Department of Insurance - Overview

The Utah Department of Insurance is the state regulatory authority for the insurance industry and is responsible for enforcing all insurance-related laws of the State of Utah.

The Mission of the Utah Department of Insurance is to foster a healthy insurance market by promoting fair and reasonable practices that ensure available, affordable and reliable insurance products and services.

The mission of the department will be accomplished by educating, serving and protecting consumers, governmental agencies and insurance industry participants at a reasonable cost.

We cooperate with and serve state and other governmental agencies in fulfilling these responsibilities.

While one of the Department's objectives is to investigate regulatory violations, the Department's Fraud Division was created in 1996 with the mission of investigating criminal insurance fraud. The Insurance Fraud Division Investigators are Utah POST certified Special Function Police Officers.

The Fraud Division works closely with insurance company investigators, local law enforcement, federal law enforcement, private non-profit organizations such as the National Insurance Crime Bureau (NICB), as well as state and federal prosecutors to bring both consumer and industry offenders to justice.

Incoming cases, tips, and complaints of possible fraud are received from a variety of sources. Most cases are received through the National Insurance Crime Bureau (NICB), Special Investigative Units (SIU) within the insurance industry, other law enforcement agencies, and citizens.

When a tip or complaint is received, it is reviewed to determine whether further investigation is merited. Cases are then assigned to an investigator who pursues all possible leads, conducts interviews, and gathers evidence.

When the investigation is complete, the investigator presents the case to the Attorney General's Office which is contracted to provide dedicated attorneys to prosecute insurance fraud. These attorneys are housed in the same office with the fraud investigators. This coordinated approach results in greater success in case prosecution and resolution.

## What is Insurance Fraud?

Insurance fraud happens when people deceive an insurance company in an effort to collect money to which they aren't entitled. Insurance Fraud is the second most costly white-collar crime in America, behind tax evasion. Insurance industry studies indicate that 10 % or more of property/casualty claims are fraudulent.

The National Health Care Anti-Fraud Association conservatively estimates that 3% or \$70 Billion is lost to health care fraud each year. Other law enforcement estimates place this as high as 10% or \$234 Billion annually.

The Coalition Against Insurance Fraud estimates that insurance fraud costs Americans more than \$96 Billion annually. The Coalition also believes that up to 30% of a policy holder's insurance premium is due to charges added to cover industry losses from insurance fraud.

Insurance fraud is typically committed by consumers, insurers, or service providers. A few general examples are as follows:

### **Consumer Fraud:**

Adding items to a legitimate theft claim that were not stolen; obtaining insurance after an accident and claiming the accident occurred while insured; abandoning a vehicle and then reporting it stolen; staging an auto accident using a previously damaged vehicle and claiming the damage is all new; exaggerating injuries to receive treatment or compensation; lying about the number of drivers in your home on an application for insurance; creating false receipts to obtain replacement value on the claim; or doctor shopping for narcotics that are not medically necessary.

### **Insurer Fraud:**

Agents selling false insurance policies; keeping the policy holder's premium payments and not forwarding them to pay for the policy; or agents fraudulently using personal information belonging to someone else to obtain a better premium quote for the applicant.

### **Provider Fraud:**

Health care providers, contractors, and others may artificially inflate their billings to insurance; a dentist may bill for high noble metals while using a lower grade material for a crown; a doctor may proscribe a treatment that is not medically necessary; or a roofer damages or removes more shingles in order to create enough damage for insurance to cover replacing the entire roof.

## Insurance Fraud Partnerships

The Insurance Fraud Division works closely with many different partners in the fight against insurance fraud. Some of these include the public, insurance companies, the National Insurance Crime Bureau (NICB), the Coalition Against Insurance Fraud, other state and local police agencies, as well as many different federal agencies such as the FBI and Health and Human Services.

Our cooperative effort with the Utah Attorney General's Office creates an opportunity to have three assistant attorneys general assigned exclusively to the Insurance Fraud Division. Having dedicated attorneys means they understand the complexities of insurance fraud, and are able to focus their entire efforts in prosecuting this type of crime.

Every other month the Insurance Fraud Division, with the assistance of NICB, host an information sharing meeting with investigators from the health insurance sector, the property and casualty insurance sector, the Medicaid Fraud Task Force, the FBI, and other criminal investigative agencies.

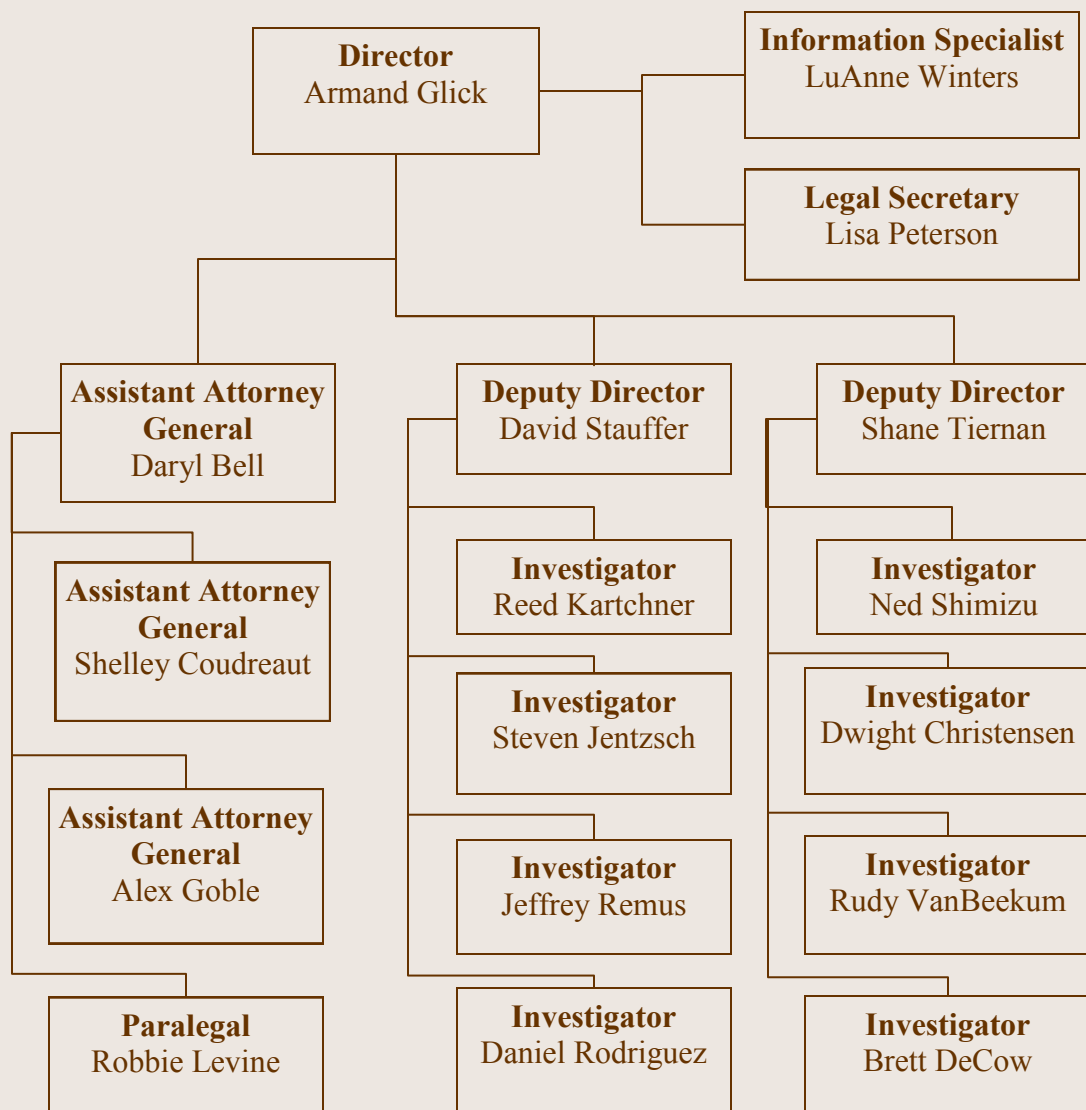
These meetings serve to bring awareness to criminal trends, identify subjects who file claims with multiple insurance companies, and reduce loss from emerging fraud schemes.



## Insurance Fraud Division Organization

The Insurance Fraud Division consists of the director, ten criminal investigators and two clerical staff. In addition the Utah Attorney General's Office provides via contract three assistant attorneys general and a paralegal.

Two new investigators and an assistant attorney general were hired just prior to the release of this report. The new allocations are reflected in the organization chart below.



## Legislative Actions

2012 was an important year for the Insurance Fraud Division at the State Legislature. We were successful in passing two critical bills that will have positive impact in the fight against insurance fraud for years to come.

The first was House Bill 29 which made changes to Utah Insurance Code 31A-31-108, Assessment of Insurers: This bill increases assessments paid by insurers to fund costs and expenses incurred by the Department of Insurance in the administration, investigation and enforcement of provisions related to fraud.

The Insurance Fraud Division is entirely funded through assessment to insurance companies who do business in the State of Utah. The assessment is based upon the amount of premium sold in the State during the prior year.

This bill increased the assessment fees based on an incremental scale. The newly approved fee scale will result in an estimated increase of funding of \$320,000.

We express our appreciation to our partners in the insurance industry for supporting us in this requested increase. As a result, we have hired a third prosecuting attorney, two investigators and converted a part time legal secretary to a full time position.

The second change was also contained in House Bill 29 which made changes to Utah Insurance Code 31A-31-105, Immunity: This bill grants immunity related to good faith communications between insurers or employees of insurers.

Language was added to the statute that specifically allows an insurer, or a person employed by an insurer, immunity from civil action, civil penalty or damages when the insurer, or person employed by an insurer, provides or shares information with another insurer or insurer's employee in a good-faith effort to discover or prevent a fraudulent insurance act or other criminal conduct.

This change ensures that insurance companies can communicate suspected fraud with other companies in an effort to identify those individuals who defraud multiple insurance companies.

A third bill, House Bill 239, was sponsored by the insurance industry and made changes to Title 13-32A.

This law grants law enforcement agencies the authority to check the Pawn Data Base Records for claimed stolen property on behalf of the insurance company and report the findings back to the insurance company.



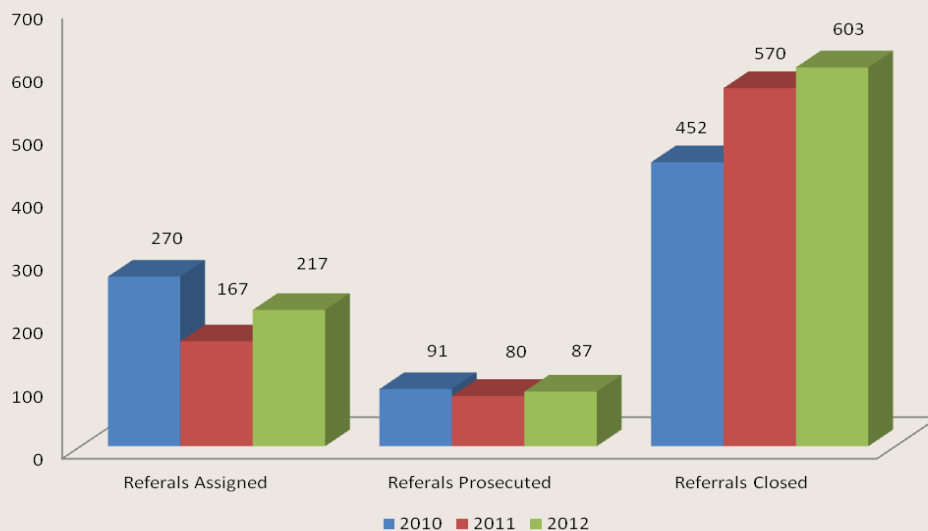
## Referral Trends

Referrals to the Insurance Fraud Division continue to increase. In 2009 we saw a significant increase in referrals due to a new Mandatory Reporting Law. This law requires insurers report suspected insurance fraud to the Insurance Department.

Since the passage of this law and initial increase, referrals have remained relatively steady the past three years.

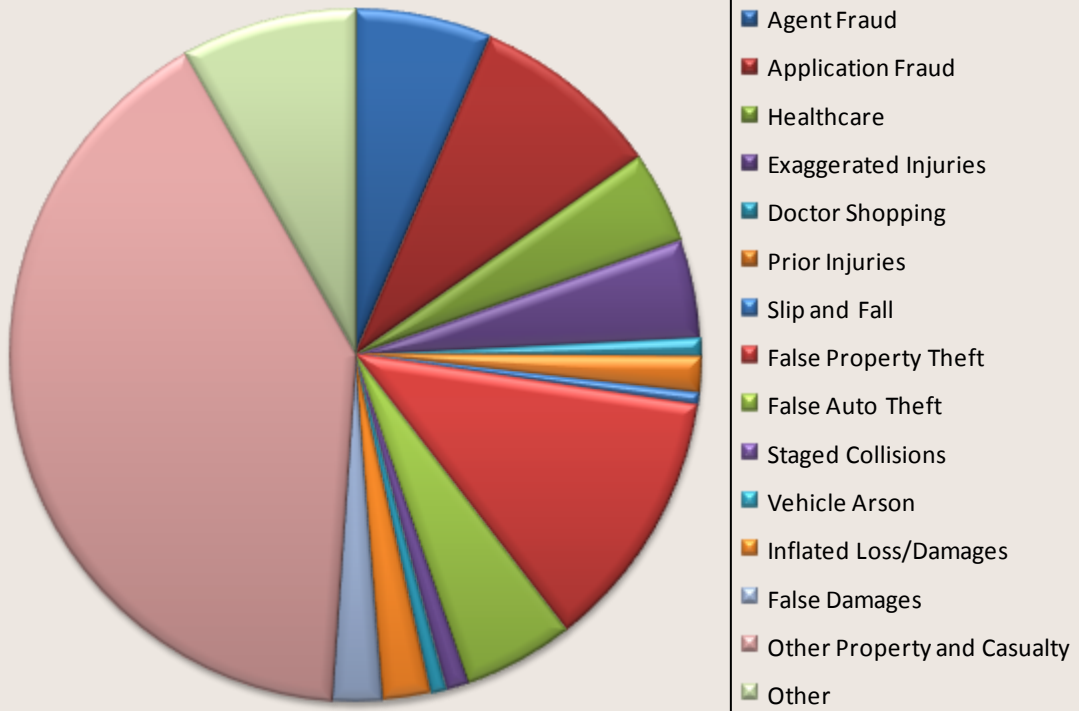
For most of the past two years the insurance fraud division has functioned short handed with several open positions from that of prior years. Much of this was due to funding, the transition of staff, and military duty.

With reduced staffing, cases assigned for investigation has declined from years past. However, the division has managed to hold steady on cases prosecuted. With all old and new positions filled, we anticipate significant increases in cases assigned and prosecuted in Fiscal Year 2013.



## FY 2012 Referrals By Type

Total Referrals - 676			
Agent Fraud	43	False Property Theft	82
Application Fraud	60	False Auto Theft	35
Healthcare	29	Staged Collisions	7
Exaggerated Injuries	31	Vehicle Arson	5
Doctor Shopping	6	Inflated Loss/Damages	15
Prior Injuries	11	False Damages	16
Slip and Fall	4	Property & Casualty - Other	274
		Other	55

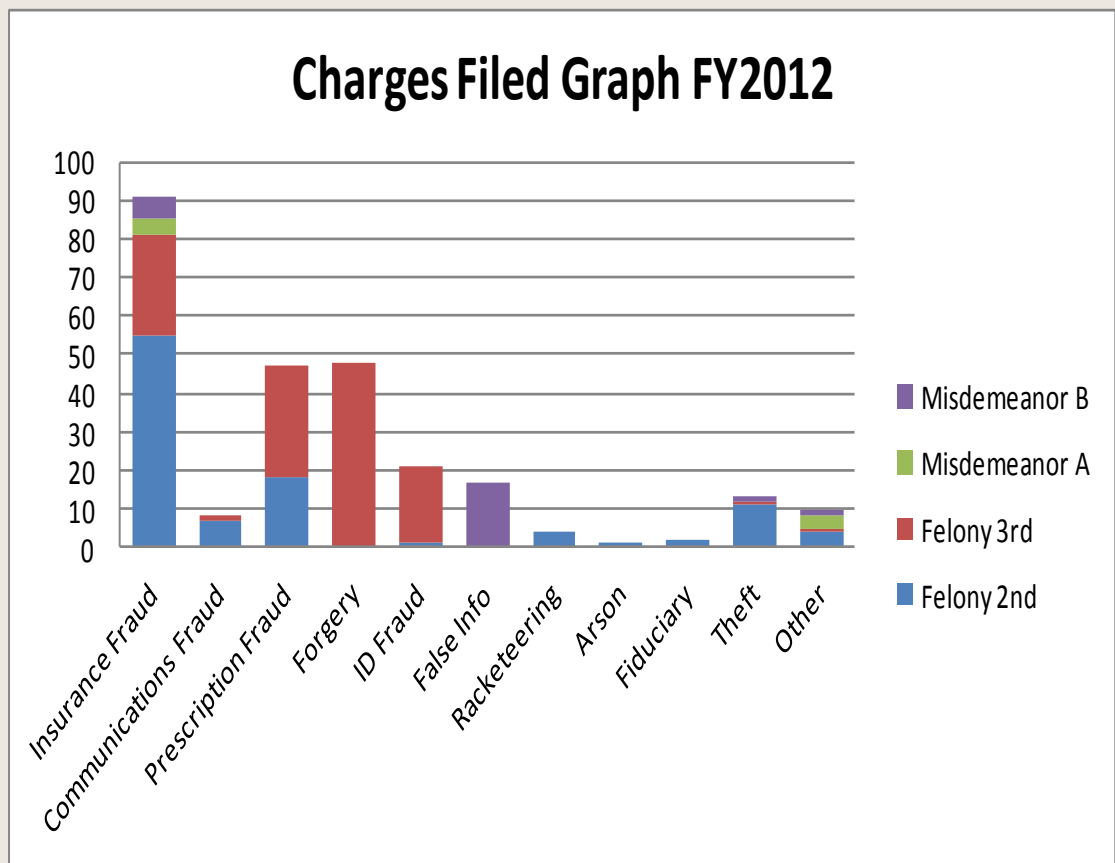


## Charges Filed Overview

In Fiscal Year 2012 the Insurance Fraud Division filed criminal charges against 87 defendants. A total of 256 charges were filed. In most cases a defendant is charged with multiple charges depending on the criminal actions involved.

Although 87 defendants were prosecuted, many more insurance fraud cases were resolved with these prosecutions. In several instances the defendant filed more than just one fraudulent claim

The most common charges filed in Fiscal Year 2012 are outlined in the chart below.

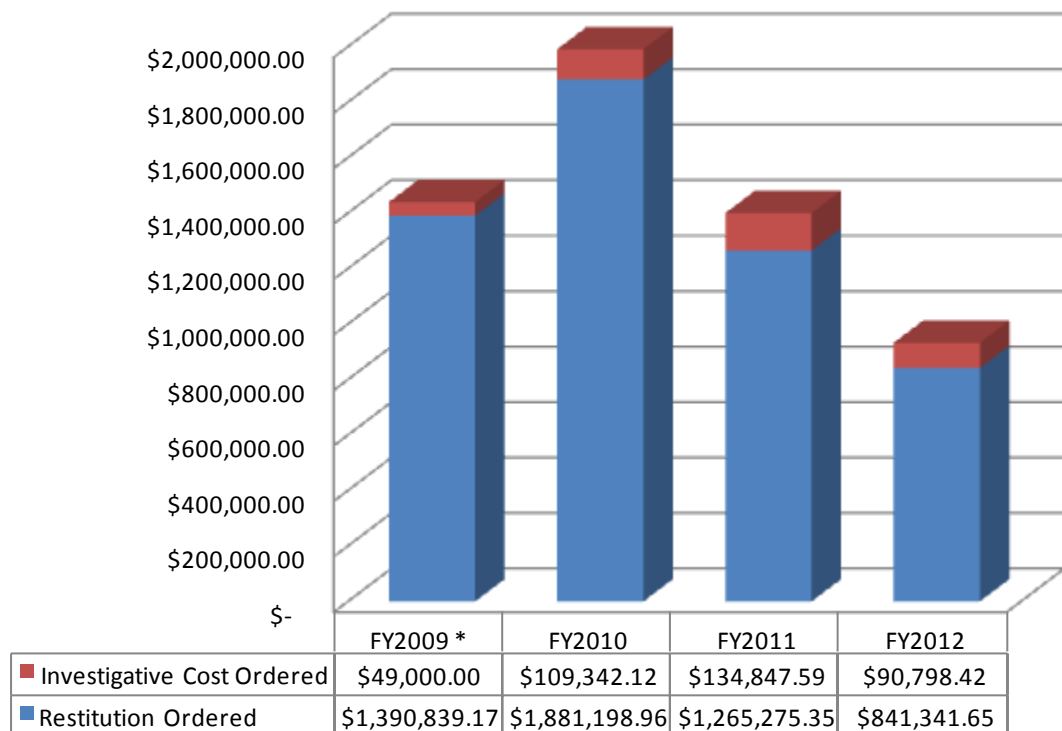


## Restitution Ordered

One reason for prosecuting insurance fraud is to obtain orders of restitution to the insurer. The recovery of restitution is an important factor in reducing the effects of insurance fraud on the consumer.

Deterrence is another important factor. The Insurance Fraud Division investigates and prosecutes a large number of individuals who were unsuccessful in their attempts to commit insurance fraud. In these instances, insurance company investigators uncovered the fraud and stopped payment of the claim. It is important to have a significant deterrent of facing prosecution, whether you succeed or fail at obtaining payment for a false claim. Simply withdrawing your false claim at the point of discovery will not avoid being criminally charged.

The chart below represents the trend for restitution ordered through criminal prosecutions during the past four years. 2009 figures are for a partial year.



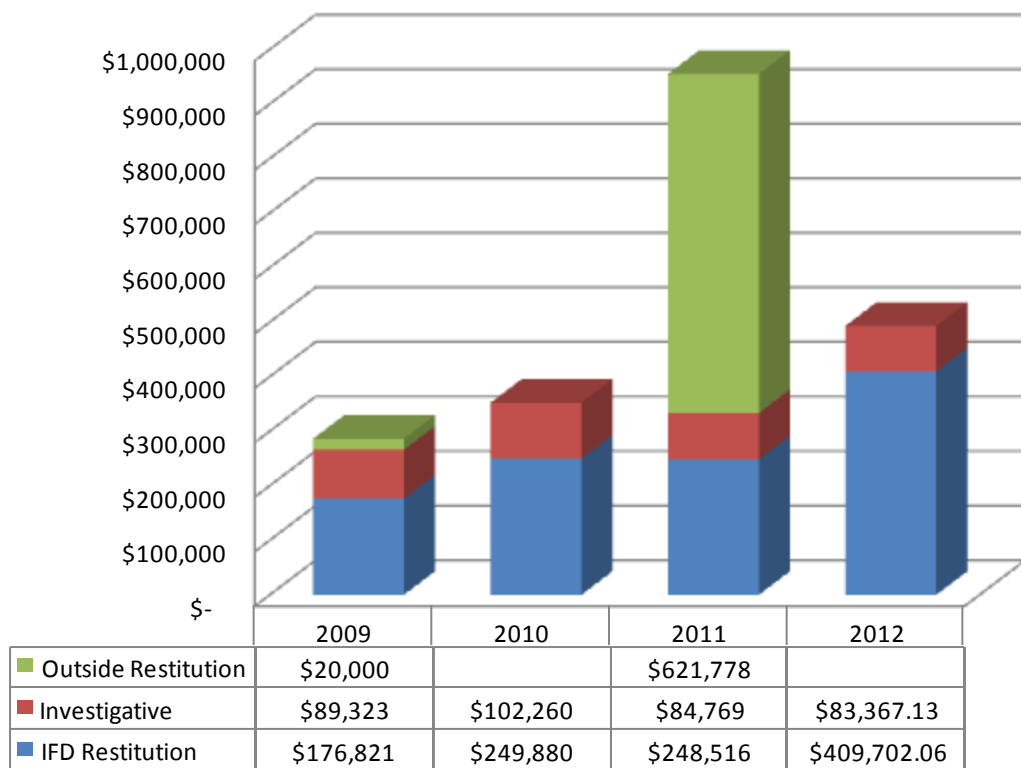
## Restitution Collected

The Insurance Fraud Division is a primary source for the collection and tracking of restitution paid in the cases prosecuted by the Division. Defendants pay restitution directly to the Division. The Division processes and accounts for the payments and issues payment to the appropriate victims in the case.

In cases prosecuted federally, restitution is not paid through the Division and is captured as outside restitution. In these cases where outside restitution has been verified it has been included below.

In FY 2012, Insurance Fraud Division prosecutions resulted in orders to pay \$841,341 in restitution to victims and \$90,798 to the Fraud Division in Investigative costs.

The Insurance Fraud Division prioritizes the payment of restitution first from funds collected and investigative costs second.

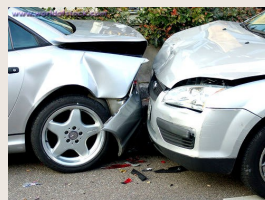
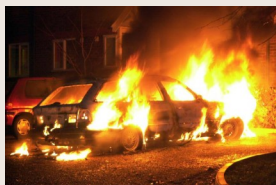




## Prosecution Summaries

The following pages provide a summary of the cases in which criminal charges were filed in Fiscal Year 2012. A few of these cases are still pending completion of the judicial process and have not yet resulted in convictions or other dispositions.

The monetary values listed for the following cases represent either actual loss or the attempted claim loss in the case.

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## Summary of Criminal Cases Filed

### STATE vs. HATANAKA

Filing Date: 7/18/2011

Charges:  
Insurance Fraud, 3 counts, Felony 2  
Forgery, 6 counts, Felony 3  
Identity Fraud, Felony 3, 1 count

State Farm Insurance: \$27,140  
Homesite Insurance: \$33,000  
Farmers Insurance: \$30,645

#### **False Lost Ring Claim:**

Hatanaka, who was at one time an insurance agent, applied for renters insurance policies with Homesite and Farmers Insurance. Hatanaka later applied for a third policy with State Farm using the assumed name of Yirak, who was a friend. Hatanaka filed three separate claims that she had lost her wedding ring while boating. Two under her real name and one under her assumed name. Hatanaka failed to disclose she had multiple insurance policies. Hatanaka also presented false documents in regards to the rings purchase and value. The ring was never lost. Yirak was aware of the policy purchases under her name and conspired to assist in the false claim with State Farm Insurance.

### STATE vs. YIRAK

Filing Date: 7/18/2011

Charges:  
Insurance Fraud, 1 count, Felony 2

State Farm Insurance: \$27,140

#### **False Lost Ring Claim:**

Yirak and Hatanaka conspired to file a false insurance claim for a lost wedding ring. Hatanaka applied for a policy with State Farm Insurance using Yirak's name and with Yirak's knowledge. Premium payments were taken from Yirak's bank account to pay for the policy. Hatanaka filed a false loss claim for the ring claiming it to have been lost while boating and presented forged documents related to purchase and value of the ring.

## Summary of Criminal Cases Filed

### STATE vs. MAHAMUD

Filing Date: 7/18/2011

**Charges:**

Insurance Fraud, 1 count, Felony 3

Communications Fraud, 1 count, Felony 3

Allstate Insurance:

\$4,100

**False Vehicle Theft Claim:**

Mahamud reported his 1994 Cadillac stolen. It was recovered a short time later parked on the side of a road with the engine seized up. The investigation discovered that Mahamud had the vehicle towed to a mechanic prior to the reported theft. The mechanic advised the motor was seized and could not be repaired. It is believed that Mahamud had the vehicle towed to the location it was recovered and falsely reported the vehicle being stolen.

### STATE vs. SHELTON

Filing Date: 8/01/2011

**Charges:**

Insurance Fraud, 1 count, Felony 3

Regence BCBS:

\$1,751

**Billing for Services Not Provided:**

Dr. Shelton is alleged to have billed for a surgery he did not do. In February of 2008, Shelton billed insurance for performing surgery to correct hammertoes on an elderly patient. Several weeks later the patient was visited by a different doctor who discovered that no surgery had been performed to repair hammertoes.

### STATE vs. WORGA

Filing Date: 8/04/2011

**Charges:**

Insurance Fraud, 1 count, Felony 3

Farmers Insurance:

\$3,000

**False Vehicle Theft:**

On 2/25/2011 Worga reported his 2001 Hyundai Elantra stolen to his insurance company. Worga had purchased the vehicle a month prior. The vehicle had some mechanical issues that Worga could not afford to repair. Worga advised the car dealership to come get the car because he had lost his job and could not make payments. The car was repossessed and Worga falsely reported it stolen to his insurance company.



## Summary of Criminal Cases Filed

### STATE vs. CHRISTENSEN

Filing Date: 8/16/2011

Charges Filed:  
Insurance Fraud, 1 count, Felony 2

AAA Insurance: \$42,215

#### False Deck Collapse Claim:

In August of 2009, a neighbor witnessed horses damage the back deck of the home Christensen was renting in Tooele. Christensen devised a scheme and told her minor daughter that she had a plan to make some money. Christensen finished pulling down the damaged deck, then drove her daughter and herself Intermountain Medical Center in Salt Lake. Both Christensen and her minor daughter claimed to have been standing on the deck when it collapsed. They claimed injuries and were treated by IMC's Emergency Room personnel. Christensen contacted an injury attorney who was successful in obtaining a settlement from AAA for this claim for both Christensen and her daughter. Christensen's daughter later declined to accept payment for this claim and testified against her mother in court.

### STATE vs. NATIONAL WELLNESS CARE PLAN LLC

Filing Date: 9/01/2011

Charges Filed:  
Insurance Fraud, 1 count, Felony 2

Select Health:	\$1,026
Regence BCBS:	\$1,856
DMBA Insurance:	\$421
Attempted Total	\$49,975

#### Billing for Services Not Provided:

Between January of 2009 and mid 2010, National Wellness Care Plan, submitted claims for face to face patient office visits, blood draw lab work and nutritional supplements provided through a multi level marketing company. Interviews with patients established that no office visits ever occurred and no blood draws were taken. The patients only submitted an online questionnaire which was reviewed by a California Doctor.

## Summary of Criminal Cases Filed

### STATE vs. YELSMA

Filing Date: 9/08/2011

#### Charges Filed:

Racketeering, 1 count, Felony 2  
Insurance Fraud, 2 counts, Felony 2  
Criminal Mischief, 2 counts, Felony 2  
Theft, 8 counts, Felony 2  
Burglary, 1 count, Felony 3  
Insurance Fraud, 1 count, Felony 3  
Vehicle Burglary, 2 counts, Misdemeanor A

Allstate Insurance: \$21,065  
CUMIS Insurance: \$12,740  
Progressive Insurance: \$4,256  
Assorted Victims: \$3,858

#### Staged Vehicle Theft Ring:

Yelsma was one of several subjects involved in staging vehicle thefts with vehicle owners. The vehicle owners filed false vehicle theft claims with their insurance and Yelsma and others would strip the vehicles for parts. In addition to the staged auto thefts, Yelsma was involved with stealing a number of cars and breaking into other vehicles to steal parts.

### STATE vs. LIMB

Filing Date: 9/14/2011

#### Charges Filed:

Insurance Fraud, 1 count, Felony 3  
Insurance Fraud, 1 count, Misdemeanor B  
Operating Vehicle Without Insurance, 1 count, Misdemeanor B

Hartford Insurance: \$2,962  
GEICO: \$0  
Other Vehicle Owner: \$500

#### Past Posting Auto Accident:

On March 3, 2011, Limb was involved in an auto accident while pulling a trailer. Limb provided an insurance card for a policy which was no longer in force. Limb quickly called GEICO and applied for insurance stating he had not been in any previous accidents. Limb then filed a claim with GEICO alleging the accident occurred 15 minutes after he was insured.



## Summary of Criminal Cases Filed

### STATE vs. HENDERSON

Filing Date: 9/21/2011

**Charges Filed:**

Prescription Fraud, 5 counts, Felony 3

ID Fraud, 1 count, Felony 3

Insurance Fraud, 1 count, Misdemeanor B

Select Health:

\$56

**Prescription Fraud:**

Henderson, who worked for a Doctors Office, used the Doctors DEA number to call in over 467 fraudulent prescriptions for controlled substances. Henderson used several of her family member's names and paid for the prescriptions using her insurance. Henderson paid a cash co-pay and obtained generics so the actual loss to her insurance was low.

### STATE vs. ALMODOVA

Filing Date: 9/22/2011

**Charges Filed:**

Prescription Fraud, 3 counts, Felony 3

DMBA Insurance:

\$876

**Doctor Shopping:**

Between July 2008, and October 2010, Almodova visited eleven different doctors and 13 different pharmacies to obtain controlled substances, without advising the doctors of the other prescriptions she had obtained. Almodova used her insurance to pay for the doctor visits and prescriptions.

### STATE vs. PUERTO

Filing Date: 9/22/2011

**Charges Filed:**

Theft, 1 count, Felony 3

Austin Mutual Insurance:

\$1,597

**Theft of Payment for Auto Body Repair:**

In April of 2010, an insured had an accident with his 2004 Nissan. The insured took the vehicle to Automatic Financial Group for repairs. Three weeks later the insured checked to see why his vehicle had not been repaired. He was told that the Body Shop had not received payment from the insurance. Austin Mutual had in fact sent a payment check and it had been cashed by Puerto, who owns Automatic Financial Group. When confronted with the issue, Puerto agreed to pay back the money but a week later the business was closed and Puerto had not been located.

## Summary of Criminal Cases Filed

### STATE vs. BYE

Filing Date: 10/13/2011

#### Charges Filed:

Insurance Fraud, 1 count, Misdemeanor A

Operating a Vehicle w/o Insurance, 1 count Misdemeanor B

Esurance:

\$983

#### Past Posting Automobile Accident:

In December of 2010, Bye purchased an insurance policy for her Ford Expedition. A week later Bye filed an accident claim. It was discovered that the accident occurred prior to Bye obtaining insurance. Bye had not had insurance coverage for her Ford Expedition for three years prior to the accident.

### STATE vs. GUILLEN

Filing Date: 10/18/2011

#### Charges Filed:

Insurance Fraud, 1 count, Felony 2

Communications Fraud, 1 count, Felony 2

False Info to Police, 1 count, Misdemeanor B

State Farm Insurance:

\$48,000

#### False Robbery Claim:

On March 22, 2010 Guillen reported that he was robbed at gun point by two men while waiting in his van to take a deposit from his store to the bank. Nearby Surveillance video discounted Guillen's story. Guillen's van was never approached by anyone other than a relative from the time he entered the van until the time police showed up as a result of his call to them.

### STATE vs. PRICE

Filing Date: 10/24/2011

#### Charges Filed:

Prescription Fraud, 8 counts, Felony 2

Insurance Fraud, 1 count, Felony 2

Regence BCBS:

\$48,131

#### Doctor Shopping:

Price obtained 195 prescriptions for controlled substance from 42 different medical providers and filed them at 15 different pharmacies in a 25 month period of time. Price used her insurance to pay for doctor visits and prescriptions that were not medically necessary.



## Summary of Criminal Cases Filed

### STATE vs. ESPINO

Filing Date: 10/21/2011

Charges Filed:  
Insurance Fraud, 1 count, Felony 2  
False Info to Police, 1 count, Misdemeanor B

American Family Ins: \$18,123

#### **False Vehicle Burglary Claim:**

On October 8, 2010, Espino reported to police that her vehicle had been broken into and her laptop, her purse and thousands of dollars in jewelry was stolen. As part of the claim, Espino provided several photos of the stolen jewelry. These photos were discovered to have been taken after the date of the reported theft. Ibrahim was listed as a witness in the vehicle burglary. Espino admitted that she and Ibrahim staged this theft.

### STATE vs. ESPINO

Filing Date: 10/21/2011

Charges Filed:  
Insurance Fraud, 1 count, Felony 2

American Family Ins: \$63,828

#### **Staged Automobile Accident:**

During the above case investigation, it was discovered Espino had been involved in a prior auto accident with her witness, Ibrahim. Espino admitted she and Ibrahim staged an auto accident by Espino running into the back of Ibrahim's vehicle during a turn. The insurance paid for damage to both vehicles and injuries for Ibrahim.

### STATE vs. LYNCH

Filing Date: 10/25/2011

Charges Filed:  
Forgery, 1 count, Felony 3

Farm Bureau: \$1,631  
America First CU: \$3,480

#### **Forged Insurance Certificate:**

Lynch purchased a vehicle which was financed through America First Credit Union. As part of the purchase agreement, Lynch was required to provide insurance in order to have a lesser monthly payment. Lynch failed to pay for insurance coverage for this vehicle and provided a forged certificate of insurance to America First. This resulted in a loss to both Farm Bureau and America First Credit Union.

## Summary of Criminal Cases Filed

### STATE vs. LOWRY

Filing Date: 10/25/2011

**Charges Filed:**

Racketeering, 1 count, Felony 2  
Insurance Fraud, 1 count, Felony 2  
Theft of Services, 1 count, Felony 2

Select Health:

\$28,453

**Fraudulent Health Benefit Claims:**

After her divorce in January of 2010, Lowry continued to utilize health insurance coverage through her ex-spouses health insurance plan. Lowry obtained over 20 medical services and 92 prescriptions that were improperly billed to Select Health.

### STATE vs. LINDSEY

Filing Date: 10/25/2011

**Charges Filed:**

Insurance Fraud, 1 count, Felony 3

GEICO:

\$4,217

United Insurance:

\$3,805

**Automobile Accident Past Posting:**

On August 31, 2010 Lindsey struck another vehicle in her apartment complex parking lot while driving her uninsured car. Lindsey contacted GEICO and obtained an insurance policy and later claimed the accident occurred after she had obtained insurance.

### STATE vs. BRACAMONTES

Filing Date: 10/27/2011

**Charges Filed:**

Insurance Fraud, 1 count, Misdemeanor A

United Insurance:

\$1,243

**Prior Accident Damage/Staged Accident:**

On November 29, 2010, Bracamontes reported his VW Jetta had been hit in the parking lot by a hit and run driver. There was snow on the ground at the time and no tracks leading up to the car. It was discovered the reported damage was the same as from a prior accident occurring on June 19, 2010.



## Summary of Criminal Cases Filed

**STATE vs. PELESCHKA, L.**

Filing Date: 10/27/2011

Charges Filed:  
Insurance Fraud, 1 count, Felony 3

Farmers Insurance: \$5,442

**False Jewelry Theft:**

In 2003, L. Peleschka reported to police her wedding ring was stolen while at work. That same day her husband C. Peleschka filed an insurance claim with Farmers insurance. In 2009, L. Peleschka again reported that her wedding ring was stolen while at work. C. Peleschka submitted the same ring appraisal as proof of ownership and value as in the 2003 claim.

**STATE vs. PELESCHKA, C.**

Filing Date: 10/27/2011

Charges Filed:  
Insurance Fraud, 1 count, Felony 3

Farmers Insurance: \$5,442

**False Jewelry Theft:**

In 2003, L. Peleschka reported her wedding ring was stolen while at work to the police. That same day C. Peleschka filed an insurance claim with Farmers insurance. In 2009, L. Peleschka again reported that her wedding ring was stolen while at work. C. Peleschka submitted the same ring appraisal as proof of ownership and value as in the 2003 claim.

**STATE vs. IBRAHIM**

Filing Date: 10/2/2011

Charges Filed:  
Insurance Fraud, 4 counts, Felony 2  
Prescription Fraud, 5 counts, Felony 3  
False Info to Police, 1 count, Misdemeanor B

American Family Ins: \$96,295

**Staged Thefts, Auto Accident, and Doctor Shopping:**

Ibrahim filed a vehicle burglary report in 2008. In 2009, Ibrahim filed a new vehicle burglary report in which he claimed high value jewelry was stolen. Ibrahim withdrew this claim when he realized his coverage was only \$2,500. In 2010, Ibrahim was linked to helping Espino file a similar vehicle burglary claim. Espino admitted to staging the vehicle burglary as well as an accident in which she intentionally ran into the back of Ibrahim's vehicle. As part of the investigation it was discovered Ibrahim was also doctor shopping and had visited several different doctors to obtain controlled substance prescriptions.



## Summary of Criminal Cases Filed

### STATE vs. SHAW

Filing Date: 11/14/2011

Farm Bureau: \$24,900

#### Charges Filed:

Fraudulent Scheme to Obtain Fees, 1 count, Felony 2

ID Fraud, 4 counts, Felony 3

#### Insurance Agent Fraud:

Between January 2010, and November 2010, Shaw worked as an agent for Farm Bureau Insurance. Shaw used personal identifying information, social security numbers and birth dates of others to alter insurance credit scores for new applicants. This was done to obtain better insurance rates, to gain the new applicants business and for Shaw to reach bonus goals.

### STATE vs. HAGGARD

Filing Date: 11/04/2011

#### Charges Filed:

Insurance Fraud, 1 count, Felony 2

Communications Fraud, 1 count, Felony 2

Witness Tampering, 1 count, Felony 3

Enterprise Rent A Car: \$9,155

Allstate Insurance: \$0

#### Auto Accident Driver Misrepresentation:

On January 23, 2009, a single car rollover accident occurred in West Valley City involving a Enterprise Rental car. Witnesses reported three males running from the scene. Evidence of three occupants and alcohol were present at the accident site. Thirty minutes later Haggard arrived at the accident scene in a different car and claimed she had been the driver of the rental car. Haggard claimed she was the sole occupant and had swerved to avoid a dog in the road. Haggard claimed blood in the car was that of her dog which was in the car with her. Blood in the car was identified as being human. Haggard was convicted of false information to police. Haggard had purchased insurance from Enterprise but the claim was denied due to Haggard's misrepresentations and the involvement of alcohol in the car. Enterprise filed a claim with Haggard's personal auto insurance, Allstate. Haggard maintained her false statements during the claims process with Allstate Insurance. Haggard later confronted a witness to the accident in an effort to keep the witness from testifying.

## Summary of Criminal Cases Filed

### STATE vs. STANTON

Filing Date: 11/17/2011

Charges Filed:  
Insurance Fraud, 1 count, Felony 2

State Farm Insurance: \$5,000

#### **Inflated Injury and Loss of Work Claim:**

In August of 2009, Stanton was involved in an accident where he was hit from behind by a State Farm Insured driver. Stanton claimed he worked as an assistant manager for a store and lost a year of work due to injury. It was discovered Stanton did not work as an assistant manger, was employed by a different employer and had not missed any work.

### STATE vs. GREEN, D.

Filing Date: 12/06/2011

Charges Filed:  
Insurance Fraud, 1 count, Felony 2  
Communications Fraud, 2 counts, Felony 2

Utah Sheet Metal Trust Fund: \$40,266

#### **False Medical Insurance Eligibility:**

D. Green maintained his ex-wife J. Green on his employers health insurance plan by falsely stating they were still married. J. Green continued to receive medical services, which were fraudulently charged to Utah Sheet Metal Trust Fund.

### STATE vs. GREEN, J.

Filing Date: 12/06/2011

Charges Filed:  
Insurance Fraud, 4 counts, Felony 2

Utah Sheet Metal Trust Fund: \$40,266

#### **False Medical Insurance Eligibility:**

J. Green continued to use her ex-husbands health insurance through his employer after they were divorced. D. Green allowed this to occur and facilitated these charges by falsifying annual applications by indicating they were still married.

## Summary of Criminal Cases Filed

### STATE vs. NACEY

Filing Date: 12/06/2011

Charges Filed:

Farm Bureau Insurance:

\$0

Forgery, 5 counts, Felony 3

False Information, 3 counts, Misdemeanor B

#### **Agent Fraud/Forged Certificates of Auto Insurance:**

Nacey, an insurance agent with Farm Bureau Insurance, failed to maintain insurance coverage on his personal automobiles. Nacey was twice cited for driving without proof of insurance and was notified by the Division of Motor Vehicles that his vehicle registrations were in jeopardy of being revoked if he failed to provide proof of insurance. Nacey created false certificates of insurance for his vehicles, which he presented to the Motor Vehicle Division to keep his vehicle registrations from being revoked. Nacey also presented these forged documents to the court to have the two traffic citations dismissed.

### STATE vs. LOCKWOOD

Filing Date: 12/07/2011

Charges Filed:

GEICO:

\$15,990

Insurance Fraud, 2 counts, Felony 2

Forgery, 2 counts, Felony 3

#### **False Documents/False Claims:**

Between October and November of 2011, Lockwood conspired with Anderson and McIntyre to make false insurance claims. Lockwood owned a car audio company and provided Anderson and McIntyre false receipts for high end car audio equipment. These receipts were then used by Anderson and McIntyre to file false vehicle burglary loss claims with GEICO.



## Summary of Criminal Cases Filed

### STATE vs. ANDERSON

Filing Date: 12/07/2011

**Charges Filed:**

Insurance Fraud, 1 count, Felony 2

Communications Fraud, 1 count, Felony 2

GEICO:

\$8,553

**False Vehicle Burglary Claims:**

Anderson reported his vehicle being burglarized and an expensive car stereo system as stolen. Anderson's auto policy did not contain a stereo endorsement to cover more than \$1,000. Anderson presented false receipts for the stereo obtained from Lockwood, who owned a car stereo installation company. Anderson then coached his girlfriend, McIntyre, on a second false claim after she obtained a stereo endorsement on her policy.

### STATE vs. MCINTYRE

Filing Date: 12/07/2011

**Charges Filed:**

Insurance Fraud, 1 count, Felony 2

Communications Fraud, 1 count, Felony 2

Insurance Fraud, 1 count, Misdemeanor B

False Information to Police, 1 count, Misdemeanor B

GEICO:

\$7,437

**False Vehicle Burglary Claim:**

Shortly after McIntyre's boyfriend Anderson filed a false vehicle burglary claim, McIntyre added a high dollar stereo endorsement to her auto policy. McIntyre then falsely reported a vehicle burglary involving her 1992 Nissan Maxima in which she claimed her stereo was stolen. McIntyre presented false receipts obtained from Lockwood who owned a car stereo installation company.

### STATE vs. REAMSBOTTOM

Filing Date: 12/08/2011

**Charges Filed:**

Prescription Fraud, 2 counts, Felony 2

Prescription Fraud, 3 counts, Felony 3

Insurance Fraud, 1 count, Felony 3

DMBA & Altius Health Plans:

\$6,403

**Doctor Shopping:**

Between January and April of 2011, Reamsbottom visited 54 different dentists and obtained prescriptions for pain medication that were not medically necessary.

## Summary of Criminal Cases Filed

### STATE vs. MEYERHOFFER

Filing Date: 1/23/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2

State Farm Insurance: \$5,092

#### Double Dipping/False Material Statements:

Meyerhoffer was involved in an accident with another vehicle. The other vehicle was at fault. Meyerhoffer first refused settlement with State Farm Insurance and filed a claim with his Allstate Insurance. Once he received payment from Allstate, he contacted State Farm and accepted settlement from them while representing that he had not been paid by Allstate.

### STATE vs. NAZARYAN

Filing Date: 1/31/2012

Charges Filed:  
Bad Check, 1 count, Felony 2

Allianz Insurance: \$0  
ING Insurance: \$0

#### Issuing a Bad Check:

In 2011 Nazaryan attempted to apply for two different three million dollar life insurance policies through two different companies. One with an initial premium of \$47,121. The other with an initial premium of \$105,000. Nazaryan never had sufficient funds to cover the premiums and lied concerning other qualifying factors on the applications.

### STATE vs. BAILEY

Filing Date: 1/27/2012

Charges Filed:  
Prescription Fraud, 7 counts, Felony 3  
Insurance Fraud, 1 count, Felony 3  
ID Theft, 1 count, Felony 3

PEHP: \$3,738

#### Doctor Shopping:

Bailey made contact with multiple doctors and dentist to obtain prescriptions for pain medication. Bailey also impersonated her husband on several occasions to obtain these prescriptions.



## Summary of Criminal Cases Filed

### STATE vs. ASHTON

Filing Date: 2/09/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2

Allianz Life Insurance: \$18,900

#### **Agent Fraud/Selling Unauthorized Annuities:**

Ashton sold Nevada annuities not authorized for sale in Utah due to Utah's more restrictive requirements. Ashton falsified applications to create the appearance that the Utah residents resided in Nevada. He also represented the applications were signed in Nevada when all transactions occurred in Utah. These actions resulted in commissions being paid to Ashton that were not warranted. Allianz is being required, by the State, to honor the Nevada annuities under Utah rules, which may result in greater financial losses to Allianz in the future.

### STATE vs. CORTEZ

Filing Date: 2/15/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 3

Progressive Insurance: \$4,958

#### **Past Posting Vehicle Theft:**

Cortez cancelled her auto policy on her 1996 Acura. She advised the vehicle was not being driven and had mechanical problems. A little more than a week later, Cortez called to add the vehicle back onto her policy. The vehicle was then reported stolen to police and insurance. The vehicle was stolen prior to Cortez adding it back onto her insurance policy.

### STATE vs. VAZ

Filing Date: 2/21/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2  
Forgery, 5 counts, Felony 3

CSA Travel Insurance: \$5,000

#### **Inflated Lost Luggage Claim:**

An employee of Vaz was traveling on business for Vaz when her luggage was lost by the airline. Vaz had the employee file a claim with her insurance company. Vaz then took over the claim pretending to be her employee. Vaz added several additional items to the claim and presented forged receipts in support of the additional claimed items. Vaz also altered bank statements belonging to her employee to support the submitted false receipts.

## Summary of Criminal Cases Filed

### STATE vs. WEBSTER

Filing Date: 2/21/2012

Attorneys Title Guaranty Fund: \$13,702

Charges Filed:

Unlawful Dealing by Fiduciary, 1 count, Felony 2

#### **Co-mingling Trust Funds:**

Webster and Crofts owned a Title Insurance Agency. On at least 131 occasions Webster and Crofts made unauthorized transfers of trust money from the agency escrow account to the agency operating account. These funds were converted to personal use to cover shortages in the agency operating account. Webster and Croft failed to pay remittances due to their underwriter, Attorney Title Guaranty Trust Fund.

### STATE vs. CROFTS

Filing Date: 2/21/2012

Attorneys Title Guaranty Fund: \$13,702

Charges Filed:

Unlawful Dealing by Fiduciary, 1 count, Felony 2

#### **Co-Mingling Trust Funds:**

Crofts and Webster owned a Title Insurance Agency. On at least 131 occasions Crofts and Webster made unauthorized transfers of trust money from the agency escrow account to the agency operating account. These funds were converted to personal use to cover shortages in the agency operating account. Crofts and Webster failed to pay remittances due to their underwriter, Attorney Title Guaranty Trust Fund.

### STATE vs. SJOL

Filing Date: 2/23/2012

Charges Filed:

Insurance Fraud, 1 count, Felony 2  
ID fraud, 3 counts, Felony 3

Farm Bureau: \$28,364

#### **Agent Fraud / Application Fraud:**

Between January and November of 2010, Sjol worked as an agent for Farm Bureau Insurance. During this time Sjol used credit scores, social security numbers, and birth dates of other people to obtain better rates for insurance applicants. By doing so Sjol was able to secure more business and bonus money from Farm Bureau.



## Summary of Criminal Cases Filed

### STATE vs. LANDERS

Filing Date: 2/28/2012

Charges Filed:  
Forgery, 1 count, Felony 3

Schroader/Blackley Insurance: \$0

#### **Forged Certificate of Insurance:**

Landers purchased a new car in December of 2010. Landers provided a false proof of insurance to the dealership as part of the vehicle purchase.

### STATE vs. SIMPSON

Filing Date: 3/05/2012

Charges Filed:  
Controlled Substance, 12 counts, Felony 3

University Health Plan: \$309

#### **Forged Prescriptions:**

This case was filed by the Salt Lake District Attorneys Office and the Insurance Fraud Division worked to piggyback restitution on their charges rather than file additional charges. Dr. Simpson self reported he was forging prescriptions using other doctor's names to obtain controlled substances. Simpson used insurance to pay for some of these prescriptions.

### STATE vs. RODRIGUEZ

Filing Date: 3/2/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2

American Family Insurance: \$14,870

#### **Staged Auto Theft:**

Rodriguez reported his 2008 Nissan Quest had been stolen while in Las Vegas. The vehicle was recovered in Mexico. Rodriguez later admitted he had loaned the vehicle to a friend, who took it to Mexico where it was stolen and later recovered.

## Summary of Criminal Cases Filed

### STATE vs. AYERS

Filing Date: 3/02/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2  
Forgery, 1 count, Felony 3

Hartford Insurance: \$37,225

#### **Inflated and False Water Damage:**

In January of 2011, Ayers filed a water damage claim stating a frozen water line had burst. Ayers submitted false receipts for boarding of animals and repairs to the home.

### STATE vs. GILES

Filing Date: 3/01/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2  
Forgery, 1 count, Felony 3

Progressive Insurance: \$2,293

#### **Inflated Accident Damage Value:**

In June of 2010, Giles lost control of his truck while pulling a trailer. The trailer struck a pole and was damaged. Giles submitted a falsified bill of sale, increasing the purchase price of the trailer by \$5,000.

### STATE vs. FONUA

Filing Date: 3/27/2012

Charges Filed:  
Insurance Fraud, 1 count, Misdemeanor A  
Conspiracy, 1 count, Misdemeanor A

Aetna Insurance: \$230  
Dr. H: \$950

#### **Identity Theft for Dental Services:**

In February of 2011, Fonua conspired with her friend, Reed, to commit Insurance Fraud. Reed posed as Fonua in order to have her wisdom teeth extracted by Dr. H and covered by Fonua's mother's insurance.

## Summary of Criminal Cases Filed

### STATE vs. REED

Filing Date: 3/27/2012

Aetna: \$230

Dr. H: \$950

#### Charges Filed:

Insurance Fraud, 1 count, Misdemeanor A

ID Theft, 1 count, Felony 3

#### Identity Theft for Dental Services:

In February of 2011, Reed conspired with Fonua to pose as Fonua in order to be covered by Fonua's mother's insurance. While posing as Fonua, Reed had her wisdom teeth extracted by Dr. H.

### STATE vs. LASMAN

Filing Date: 4/09/2012

#### Charges Filed:

USAA Insurance: \$5,800

Insurance Fraud, 1 count, Felony 2

False Information to Police, 1 count, Misdemeanor B

#### False Vehicle Theft:

In October of 2011, Lasman reported she had gone camping and upon her return, discovered her 2005 Nissan Altima was missing. Lasman reported the vehicle as being stolen to the police. Two weeks later, a person attempted to register the vehicle with an original title signed by Lasman, stating Lasman sold her the vehicle.

### STATE vs. PINEGAR

Filing Date: 4/10/2012

#### Charges Filed:

PEHP: \$17,223

Racketeering, 1 count, Felony 2

Insurance Fraud, 1 count, Felony 2

ID Fraud, 3 counts, Felony 3

Forgery, 3 counts, Felony 3

#### Billing for Services Not Provided/ID Billing Fraud:

Dr. Pinegar was not an authorized provider with PEHP, so he billed for services he performed under the name of another dentist, who had retired from his shared practice with Pinegar. Additionally, it was discovered that Pinegar was billing for crowns made with high noble metal, when the crowns were actually made with semi-precious metals.



## Summary of Criminal Cases Filed

### STATE vs. SMITH

Filing Date: 4/12/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2  
ID Fraud, 3 counts, Felony 3

Farm Bureau Insurance: \$18,641

#### **Agent Fraud/Application Fraud:**

While acting as an insurance agent with Farm Bureau, Smith used credit reports, social security numbers and dates of birth belonging to other people, to obtain lower premiums for insurance applicants. Smith did this to obtain new business and to obtain bonus money from Farm Bureau Insurance.

### STATE vs. WOODS

Filing Date: 4/17/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2

PEHP: \$220,308

#### **Fraudulent use of Ex-spouses Health Insurance Plan:**

Woods and Jahn were divorced in 2004. In 2008 Jahn began a new job and listed Woods as his spouse. Woods fraudulently presented Jahn's health insurance card to obtain medical treatment with several different medical providers for a number of medical needs.

### STATE vs. JAHN

Filing Date: 4/17/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2  
Communications Fraud, 1 count, Felony 2

PEHP: \$220,308

#### **Falsely Listing Ex-wife as Current Spouse on Health Insurance Plan:**

Jahn and Woods were divorced in 2004. In 2008 Jahn obtained new employment and listed his ex-spouse, Woods, as his current wife. This was done in order to obtain health insurance coverage for Woods who had several medical problems.

## Summary of Criminal Cases Filed

### STATE vs. ALMIRON, D

Filing Date: 4/17/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 3

American Family Insurance: \$2,790

#### **Inflated Loss/Forged Documents:**

In December of 2010 D. Almiron reported his brother, J. Almiron's, vehicle being vandalized and broken into. D. Almiron presented false receipts for items he claimed were stolen from the car. At a later date, J. Almiron met with insurance investigators posing as D. Almiron to discuss the claim. J. Almiron while posing as D. Almiron claimed he obtained the receipts from his brother J. Almiron. J. Almiron claimed he knew nothing about the validity of the receipts.

### STATE vs. ALMIRON, J

Filing Date: 4/17/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 3

American Family Insurance: \$2,790

#### **Inflated Loss/Forged Documents:**

Co-defendant in the above case. Incident description is identical as contained above.

### STATE vs. DAVIS

Filing Date: 4/25/2012

Charges Filed:	Allstate:	\$14,617
Insurance Fraud, 5 counts, Felony 2	Nationwide:	\$16,346
Insurance Fraud, 1 count, Felony 3	Liberty Mutual:	\$18,699
Forgery, 7 counts, Felony 3	Zurich:	\$775
Insurance Fraud, 1 count, Misdemeanor B		
False Information to Law Enforcement, 4 counts, Misdemeanor B		

#### **False Thefts and Accidents:**

During a six month crime spree, Davis submitted nearly a dozen false theft claims ranging from apartment burglaries to vehicle burglaries. Davis created a fake website for car stereo equipment and submitted forged receipts for items he claimed were stolen. Davis also reported his vehicle damaged in several accidents. All vehicle damage was pre-existing and was not a result of any new accidents.

## Summary of Criminal Cases Filed

### STATE vs. SCADDEN

Filing Date: 5/01/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2

American Family Insurance: \$102,000

#### **False Residential Burglary:**

In September of 2009, Scadden reported a burglary of his residence to his local police department. Scadden was suffering severe financial stress and had credit card debt in the hundreds of thousands of dollars. Scadden reported high value watches being stolen that were gifts to him from his previous employers. The investigation discovered that Scadden was never given the claimed watches.

### STATE vs. HOPKINS

Filing Date: 5/08/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2  
Theft by Deception, 2 counts, Felony 2

USAA Insurance: \$80,142

#### **False Residential Burglary and Employee Theft:**

Hopkins purchased very expensive computer equipment for his employer, but had it delivered to his home and converted it to personal use. He even faked a computer crash at work to justify the purchase of more equipment which he also placed in his residence. When an internal investigation discovered this had occurred, Hopkins attempted to sneak the stolen computer equipment back into his place of employment. Hopkins then falsely reported a burglary of his residence to his local police department and listed the computer equipment he had returned to his employer as having been stolen from his residence.



## Summary of Criminal Cases Filed

### STATE vs. PITTA

Filing Date: 5/15/2012

#### Charges Filed:

Insurance Fraud, 1 count, Felony 3  
ID Fraud, 3 counts, Felony 3  
Forgery, 5 counts, Felony 3  
Theft, 1 count, Misdemeanor B

Primerica Life:

\$4,795

#### Agent Fraud / Forged Policy Holder Signatures:

Pitta, while acting as an agent with Primerica Life Insurance, forged signatures then made the first premium payments for the new policies, in order to receive advanced commissions. In addition, Pitta forged signatures of policy owners on change forms to have refund checks sent to his home. Pitta received and cashed several of these refund checks.

### STATE vs. WARREN

Filing Date: 5/22/2012

#### Charges Filed:

Insurance Fraud, 1 count, Felony 2

GEICO:

\$5,840

#### Auto Accident Past Posting:

In June of 2009, Warren's car insurance was cancelled for non payment. Warren hit a deer with her vehicle in September of 2009 while uninsured. Warren obtained insurance coverage, then filed the claim that she hit the deer after being insured.

### STATE vs. FUENTES

Filing Date: 5/22/2012

#### Charges Filed:

Insurance Fraud, 1 count, Felony 2  
False Report to Police, 1 count, Misdemeanor B

Progressive Insurance:

\$5,065

#### False Vehicle Theft:

In July of 2010, Fuentes reported his 1999 Dodge Durango stolen from his residence. In February of 2011, Fuentes's Dodge Durango was recovered in a storage unit in West Valley City. The storage unit staff identified Fuentes as the person who rented the storage unit using a false name.



## Summary of Criminal Cases Filed

### STATE vs. CARPENTER

Filing Date: 5/23/2012

Charges Filed:  
Prescription Fraud, 8 counts, Felony 2  
Insurance Fraud, 1 count, Felony 3

Select Health: \$1,793

#### Doctor Shopping:

Between March and November of 2009 Carpenter visited 36 different dentists and doctors. Carpenter received 101 overlapping prescriptions for narcotics at 20 different pharmacies. Carpenter used insurance to pay for the physician visits and prescriptions.

### STATE vs. HACKFORD

Filing Date: 4/18/2012

Charges Filed:  
Insurance Fraud, 1 count, Misdemeanor B

Sentry Insurance: \$2,449

#### Application Fraud/Premium Avoidance:

Hackford insured several vehicles under her name for her boyfriend Martinez who was living with her. Hackford intentionally failed to list Martinez as a driver in her residence to avoid higher premiums due to a DUI conviction by Martinez.

### STATE vs. MARTINEZ

Filing Date: 4/18/2012

Charges Filed:  
Insurance Fraud, 1 count, Misdemeanor B

Sentry Insurance: \$2,449

#### Application Fraud/Premium Avoidance:

Martinez, who had a DUI conviction, had his girlfriend, Hackford, insure his vehicles under her insurance policy without listing him as a driver. This was done in order to obtain a lower insurance premium.

## Summary of Criminal Cases Filed

### STATE vs. COLVIN

Filing Date: 5/30/2012

Charges Filed:  
Prescription Fraud, 6 counts, Felony 3  
Insurance Fraud, 1 count, Felony 3

Medicaid: \$2,286

#### Doctor Shopping:

This case initiated after Colvin was found to be in violation of her probation on a prior Insurance Fraud case. Between April and October of 2011, Colvin visited nine different medical providers to obtain overlapping prescriptions for controlled substances.

### STATE vs. BROOKS

Filing Date: 5/30/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2  
Forgery, 1 count, Felony 3

CNA Insurance: \$14,200

#### Inflated Damage:

In April of 2011, an awning, connected to Brooks' business, was damaged in a wind storm. Brooks submitted two repair bids to his insurance company. An independent adjuster was sent to inspect the damage and his estimate was \$10,000 lower. Contact was made with the companies providing the bids and it was discovered that Brooks altered their bids by \$10,000 in an attempt to obtain more money from his insurance.

### STATE vs. FLINK

Filing Date: 5/31/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2  
Insurance Fraud, 3 counts, Felony 3  
Forgery, 5 counts, Felony 3

AMEX Insurance: \$16,378

#### False Warranty Claims:

Over the course of a few months, Flink filed several false claims for coverage provided under his American Express Card. Flink filed a claim for damage to rugs he had purchased from COSCO. Flink actually had returned these rugs undamaged for full credit. Flink submitted several different claims for warranty replacement for laptop computers. Flink never purchased any of the computers and forged receipts for both the computers and the rugs.

## Summary of Criminal Cases Filed

### STATE vs. HARDMAN

Filing Date: 6/13/2012

**Charges Filed:**

Insurance Fraud, 1 count, Felony 3

False Info to Police, 1 count, Misdemeanor B

Progressive Insurance:

\$4,256

**Staged Auto Theft:**

Hardman conspired with two friends to have them take his motorcycle from his house. Hardman owed more money on the loan than the motorcycle was worth and he had been unsuccessful in trying to sell it. After his friends took the motorcycle, Hardman filed a false report of the motorcycle being stolen.

### STATE vs. SAADAT

Filing Date: 6/07/2012

**Charges Filed:**

Insurance Fraud, 1 count, Felony 2

Forgery, 1 count, Felony 3

Bear River Insurance:

\$36,008

**Inflated Damage/Forged Receipts:**

Saadat filed a water damage claim with the City she resides in. This claim was denied. Saadat then filed a claim with Bear River, however, she substantially inflated the damage from that which she submitted to the City. Saadat forged numerous receipts, altering quotes to make them appear as paid receipts.

### STATE vs. LOPEZ

Filing Date: 6/15/2012

**Charges Filed:**

Arson, 1 count, Felony 2

Insurance Fraud, 1 count, Felony 3

False Info to Police, 1 count, Misdemeanor B

American Family Insurance:

\$3,346

**Staged Auto Theft/Arson:**

In March of 2012, Lopez reported his 1996 BMW stolen from his residence. It was later recovered, burned in American Fork Canyon. Video at the mouth of the canyon showed Lopez driving his BMW while entering the canyon, followed by Lopez's Jeep, driven by two other people. Lopez paid two friends to drive up the canyon and burn his vehicle in order to collect insurance.



## Summary of Criminal Cases Filed

### STATE vs. JUAREZ

Filing Date: 6/14/2012

**Charges Filed:**

Insurance Fraud, 1 count, Felony 2

ID Fraud, 1 count, Felony 2

False Info to Police, 1 count, Misdemeanor B

Farmers Insurance:

\$24,430

**False Residential Burglary:**

In November of 2011, Juarez filed a police report claiming his apartment had been burglarized and property stolen. Juarez then filed a claim with his insurance. Juarez had actually been evicted for not paying rent and his property was sold at a constables auction prior to his burglary claim. Juarez knew that his property had been sold at auction. Juarez had also been using a false social security number for several years.

### STATE vs. GONZALEZ

Filing Date: 6/20/2012

**Charges Filed:**

Insurance Fraud, 1 count, Felony 3

AFLAC Insurance:

\$1,553

**Agent Fraud/Adding Fictitious Employees to Contracts:**

While employed by AFLAC, Gonzalez added fictitious employees to company insurance plans in order to increase his commissions. These added individuals did not work for the companies the plans were written for.

### STATE vs. HOWARD

Filing Date: 6/19/2012

**Charges Filed:**

Insurance Fraud, 1 count, Felony 3

Progressive Insurance:

\$2,436

**Prior Damage/False Claim:**

Howard filed a vehicle vandalism claim on her 2003 VW Passat. Howard claimed someone had used a rock to damage her car. Appraisers determined the damage appeared collision related. Investigation discovered a prior claim for the same damage from the prior vehicle owner. A repair estimate was also found in the vehicle dated prior to Howard obtaining insurance coverage with Progressive Insurance.



## Summary of Criminal Cases Filed

### STATE vs. DANNER

Filing Date: 6/26/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 2  
Forgery, 4 counts, Felony 3

Civil Service Employees Ins: \$16,959

#### **Inflated Theft Loss/Forged Receipts:**

In April 2011, the Danner's reported items stolen from their storage unit. The Danner's added additional items to their list of stolen items reported to their insurance, from what was reported to the police. Several of the receipts provided by the Danner's, to their insurance, were forged.

### STATE vs. BANGERTER

Filing Date: 6/18/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 3

Allstate Insurance: \$2,000

#### **Application Fraud/False Statements:**

Bangerter applied to Allstate for coverage on his 2007 BMW motorcycle. Within one week, Bangerter filed a claim that his motorcycle had fallen off a rack to which it was strapped. It was discovered that Bangerter had filed this same claim less than six weeks prior with Progressive Insurance, listing the same facts. In both cases, the VIN number provided for the motorcycle was not valid.

### STATE vs. GRAFF

Filing Date: 6/22/2012

Charges Filed:  
Insurance Fraud, 1 count, Felony 3

Farmers Insurance: \$4,084

#### **False Damage Claim:**

In January of 2011, Graff submitted a claim with Farmers that his Volkswagen had been vandalized while parked at a restaurant. It was discovered that Graff submitted a claim for the same damages with Safeco Insurance one year prior. Graff had been paid for the prior damages by Safeco, but never repaired the vehicle. The second claim was fraudulent.



The seal of the Utah Insurance Department is a circular emblem. It features a central shield with a beehive, flanked by two American flags. Above the shield is an eagle with spread wings. The shield is inscribed with the word "INDUSTRY". The entire seal is encircled by a rope-like border. The outer ring of the seal contains the text "UTAH INSURANCE DEPARTMENT" at the top and "FRAUD DIVISION" at the bottom. The year "1896" is also visible within the seal.

## **Utah Insurance Department**

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Salt Lake City, Utah 84114

801-538-3800 (Office)  
<http://www.insurance.utah.gov>

### **Fraud Division**

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